



QUARTERLY STATEMENT  
AS OF JUNE 30, 2014  
OF THE CONDITION AND AFFAIRS OF THE  
HAP Midwest Health Plan, Inc.

NAIC Group Code	1311 (Current Period)	1311 (Prior Period)	NAIC Company Code	95814	Employer's ID Number	38-3123777
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]	
Incorporated/Organized	01/01/1994		Commenced Business	01/01/1994		
Statutory Home Office	4700 Schaefer Road Ste. 340 (Street and Number)		Dearborn, MI, 48126 (City or Town, State, Country and Zip Code)			
Main Administrative Office	4700 Schaefer Road Ste. 340 (Street and Number)		Dearborn, MI, 48126 (City or Town, State, Country and Zip Code)			
Mail Address	4700 Schaefer Road Ste. 340 (Street and Number or P.O. Box)		Dearborn, MI, 48126 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	Dearborn, MI, 48126 (City or Town, State, Country and Zip Code)		(313)581-3700 (Area Code) (Telephone Number)			
Internet Web Site Address	www.Hap.org/midwest		(313)581-3700 (Area Code) (Telephone Number)			
Statutory Statement Contact	Paul E Stevenson, CPA (Name) p Stevenson@midwesthealthplan.com (E-Mail Address)		(313)586-6067 (Area Code)(Telephone Number)(Extension) (313)429-5167 (Fax Number)			

OFFICERS

Name	Title
James Connelly	Chairman of the Board
Mark Saffer	President
Dan Champney	Secretary
Mary Ann Tournoux	Treasurer

OTHERS

Allen A. Kessler CPA Mark H. Tucker MD

DIRECTORS OR TRUSTEES

James Connelly Mark Saffer  
Dan Champney Mary Ann Tournoux  
John Lindsey Tibbitha McCubbin

State of Michigan  
County of Wayne ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature) Mark Saffer (Printed Name) 1. President (Title)	(Signature) Dan Champney (Printed Name) 2. Secretary (Title)	(Signature) Allen Kessler (Printed Name) 3. VP & Chief Financial Officer (Title)
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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2014

a. Is this an original filing?  
b. If no, 1. State the amendment number  
2. Date filed  
3. Number of pages attached

Yes[X] No[ ]

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1.	Bonds .....	15,834,745		15,834,745	1,045,458
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....				
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2	Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3	Properties held for sale (less \$.....0 encumbrances) .....				
5.	Cash (\$.....28,566,782), cash equivalents (\$.....0) and short-term investments (\$.....43,751,687) .....	72,318,468		72,318,468	75,232,175
6.	Contract loans (including \$.....0 premium notes) .....				
7.	Derivatives .....				
8.	Other invested assets .....				
9.	Receivables for securities .....	13,244		13,244	
10.	Securities lending reinvested collateral assets .....				
11.	Aggregate write-ins for invested assets .....				
12.	Subtotals, cash and invested assets (Lines 1 to 11) .....	88,166,458		88,166,458	76,277,634
13.	Title plants less \$.....0 charged off (for Title insurers only) .....				
14.	Investment income due and accrued .....	81,851		81,851	2,768
15.	Premiums and considerations:				
15.1	Uncollected premiums and agents' balances in the course of collection .....	4,504,039		4,504,039	
15.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
15.3	Accrued retrospective premiums .....				
16.	Reinsurance:				
16.1	Amounts recoverable from reinsurers .....	681,185		681,185	198,003
16.2	Funds held by or deposited with reinsured companies .....				
16.3	Other amounts receivable under reinsurance contracts .....				
17.	Amounts receivable relating to uninsured plans .....				
18.1	Current federal and foreign income tax recoverable and interest thereon .....	232,997		232,997	47,497
18.2	Net deferred tax asset .....	3,075,621	751,684	2,323,937	3,365,228
19.	Guaranty funds receivable or on deposit .....				
20.	Electronic data processing equipment and software .....	473,726	473,726		
21.	Furniture and equipment, including health care delivery assets (\$.....0) .....	112,795	112,795		
22.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
23.	Receivables from parent, subsidiaries and affiliates .....				
24.	Health care (\$.....1,967,405) and other amounts receivable .....	7,442,469		7,442,469	2,165,090
25.	Aggregate write-ins for other than invested assets .....	578,802	578,802		
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	105,349,943	1,917,008	103,432,936	82,056,220
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28.	TOTAL (Lines 26 and 27) .....	105,349,943	1,917,008	103,432,936	82,056,220
DETAILS OF WRITE-INS					
1101.	.....				
1102.	.....				
1103.	.....				
1198.	Summary of remaining write-ins for Line 11 from overflow page .....				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501.	Prepaid Assets .....	578,802	578,802		
2502.	.....				
2503.	.....				
2598.	Summary of remaining write-ins for Line 25 from overflow page .....				
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	578,802	578,802		

**LIABILITIES, CAPITAL AND SURPLUS**

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded) .....	42,916,233		42,916,233	37,042,412
2.	Accrued medical incentive pool and bonus amounts .....	1,181,258		1,181,258	860,377
3.	Unpaid claims adjustment expenses .....	960,300		960,300	958,626
4.	Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....				
5.	Aggregate life policy reserves .....				
6.	Property/casualty unearned premium reserve .....				
7.	Aggregate health claim reserves .....				
8.	Premiums received in advance .....				
9.	General expenses due or accrued .....	11,349,874		11,349,874	2,040,895
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....				
10.2	Net deferred tax liability .....	1,853,756		1,853,756	
11.	Ceded reinsurance premiums payable .....				
12.	Amounts withheld or retained for the account of others .....				
13.	Remittances and items not allocated .....				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15.	Amounts due to parent, subsidiaries and affiliates .....	157,883		157,883	125,665
16.	Derivatives .....				
17.	Payable for securities .....				
18.	Payable for securities lending .....				
19.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20.	Reinsurance in unauthorized and certified (\$.....0) companies .....				
21.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
22.	Liability for amounts held under uninsured plans .....	231,000		231,000	231,000
23.	Aggregate write-ins for other liabilities (including \$.....0 current) .....	6,506,161		6,506,161	9,396,663
24.	Total liabilities (Lines 1 to 23) .....	65,156,464		65,156,464	50,655,639
25.	Aggregate write-ins for special surplus funds .....	X X X	X X X	2,677,304	
26.	Common capital stock .....	X X X	X X X	186,230	186,230
27.	Preferred capital stock .....	X X X	X X X		
28.	Gross paid in and contributed surplus .....	X X X	X X X	33,770	33,770
29.	Surplus notes .....	X X X	X X X		
30.	Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31.	Unassigned funds (surplus) .....	X X X	X X X	35,379,168	31,180,581
32.	Less treasury stock, at cost:				
32.1	.....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2	.....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	38,276,471	31,400,581
34.	Total Liabilities, capital and surplus (Lines 24 and 33) .....	X X X	X X X	103,432,936	82,056,220
<b>DETAILS OF WRITE-INS</b>					
2301.	Liability - State Tax Refunds .....	6,506,161		6,506,161	9,396,663
2302.	.....				
2303.	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	6,506,161		6,506,161	9,396,663
2501.	Health Insurance Providers Fee 2015 Reserve .....	X X X	X X X	2,677,304	
2502.	.....	X X X	X X X		
2503.	.....	X X X	X X X		
2598.	Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X	2,677,304	
3001.	.....	X X X	X X X		
3002.	.....	X X X	X X X		
3003.	.....	X X X	X X X		
3098.	Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099.	TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months .....	X X X .....	505,701	483,772	959,982
2.	Net premium income (including \$.....0 non-health premium income) .....	X X X .....	169,345,131	147,899,367	295,160,840
3.	Change in unearned premium reserves and reserves for rate credits .....	X X X .....			
4.	Fee-for-service (net of \$.....0 medical expenses) .....	X X X .....			
5.	Risk revenue .....	X X X .....			
6.	Aggregate write-ins for other health care related revenues .....	X X X .....	(257,784)	(268,706)	(580,645)
7.	Aggregate write-ins for other non-health revenues .....	X X X .....			
8.	Total revenues (Lines 2 to 7) .....	X X X .....	169,087,347	147,630,661	294,580,195
<b>Hospital and Medical:</b>					
9.	Hospital/medical benefits .....		97,483,858	94,261,491	186,597,573
10.	Other professional services .....		9,519,152	8,562,033	16,653,205
11.	Outside referrals .....		1,681,330	2,004,249	3,491,915
12.	Emergency room and out-of-area .....		9,177,302	8,944,115	17,208,425
13.	Prescription drugs .....		18,457,877	16,146,174	33,185,508
14.	Aggregate write-ins for other hospital and medical .....				
15.	Incentive pool, withhold adjustments and bonus amounts .....		1,295,000	1,544,000	2,583,355
16.	Subtotal (Lines 9 to 15) .....		137,614,519	131,462,062	259,719,979
<b>Less:</b>					
17.	Net reinsurance recoveries .....		482,927	92,436	297,799
18.	Total hospital and medical (Lines 16 minus 17) .....		137,131,592	131,369,626	259,422,180
19.	Non-health claims (net) .....				
20.	Claims adjustment expenses, including \$.....974,349 cost containment expenses .....		2,399,077	2,242,903	3,657,902
21.	General administrative expenses .....		15,074,680	7,612,048	15,200,497
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....				
23.	Total underwriting deductions (Lines 18 through 22) .....		154,605,349	141,224,577	278,280,579
24.	Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X .....	14,481,998	6,406,084	16,299,616
25.	Net investment income earned .....		112,374	17,568	24,723
26.	Net realized capital gains (losses) less capital gains tax of \$.....0 .....				
27.	Net investment gains or (losses) (Lines 25 plus 26) .....		112,374	17,568	24,723
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....				
29.	Aggregate write-ins for other income or expenses .....				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X .....	14,594,372	6,423,652	16,324,339
31.	Federal and foreign income taxes incurred .....	X X X .....	6,768,256	2,344,633	6,884,407
32.	Net income (loss) (Lines 30 minus 31) .....	X X X .....	7,826,116	4,079,019	9,439,932
<b>DETAILS OF WRITE-INS</b>					
0601.	Revenue-Other .....	X X X .....	165,118	165,135	253,793
0602.	Management Fee Income .....	X X X .....	235,000	235,000	491,388
0603.	Child & Adolescent Health Center Fee .....	X X X .....	(657,902)	(668,841)	(1,325,827)
0698.	Summary of remaining write-ins for Line 6 from overflow page .....	X X X .....			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X .....	(257,784)	(268,706)	(580,645)
0701.	.....	X X X .....			
0702.	.....	X X X .....			
0703.	.....	X X X .....			
0798.	Summary of remaining write-ins for Line 7 from overflow page .....	X X X .....			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X .....			
1401.	.....				
1402.	.....				
1403.	.....				
1498.	Summary of remaining write-ins for Line 14 from overflow page .....				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....				
2901.	.....				
2902.	.....				
2903.	.....				
2998.	Summary of remaining write-ins for Line 29 from overflow page .....				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....				

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>				
33.	Capital and surplus prior reporting year .....	31,400,581	26,822,417	26,822,417
34.	Net income or (loss) from Line 32 .....	7,826,116	4,079,019	9,439,932
35.	Change in valuation basis of aggregate policy and claim reserves .....			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....			
37.	Change in net unrealized foreign exchange capital gain or (loss) .....			
38.	Change in net deferred income tax .....	(1,336,672)		1,700,850
39.	Change in nonadmitted assets .....	386,446	(39,879)	541,383
40.	Change in unauthorized and certified reinsurance .....			
41.	Change in treasury stock .....			
42.	Change in surplus notes .....			
43.	Cumulative effect of changes in accounting principles .....			
44.	Capital Changes:			
44.1	Paid in .....			
44.2	Transferred from surplus (Stock Dividend) .....			
44.3	Transferred to surplus .....			
45.	Surplus adjustments:			
45.1	Paid in .....			
45.2	Transferred to capital (Stock Dividend) .....			
45.3	Transferred from capital .....			
46.	Dividends to stockholders .....			(7,104,000)
47.	Aggregate write-ins for gains or (losses) in surplus .....			
48.	Net change in capital and surplus (Lines 34 to 47) .....	6,875,890	4,039,141	4,578,165
49.	Capital and surplus end of reporting period (Line 33 plus 48) .....	38,276,472	30,861,557	31,400,581
<b>DETAILS OF WRITE-INS</b>				
4701.	.....	.....	.....	.....
4702.	.....	.....	.....	.....
4703.	.....	.....	.....	.....
4798.	Summary of remaining write-ins for Line 47 from overflow page .....	.....	.....	.....
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....	.....	.....	.....

CASH FLOW

		1	2	3
		Current	Prior	Prior
		Year	Year	Year Ended
		To Date	To Date	December 31
Cash from Operations				
1.	Premiums collected net of reinsurance .....	164,841,092	148,951,265	296,262,738
2.	Net investment income .....	73,637	19,698	29,353
3.	Miscellaneous income .....	(257,784)	(268,706)	(580,645)
4.	TOTAL (Lines 1 to 3) .....	164,656,945	148,702,257	295,711,446
5.	Benefit and loss related payments .....	131,420,072	128,217,124	254,078,387
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	8,030,255	10,710,603	18,677,498
8.	Dividends paid to policyholders .....			
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	5,100,000	3,525,000	6,180,076
10.	TOTAL (Lines 5 through 9) .....	144,550,327	142,452,726	278,935,961
11.	Net cash from operations (Line 4 minus Line 10) .....	20,106,619	6,249,531	16,775,485
Cash from Investments				
12.	Proceeds from investments sold, matured or repaid:			
12.1	Bonds .....	12,180,385		1,025,000
12.2	Stocks .....			
12.3	Mortgage loans .....			
12.4	Real estate .....			
12.5	Other invested assets .....			
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7	Miscellaneous proceeds .....	12,959		
12.8	TOTAL investment proceeds (Lines 12.1 to 12.7) .....	12,193,344		1,025,000
13.	Cost of investments acquired (long-term only):			
13.1	Bonds .....	27,022,977		1,047,991
13.2	Stocks .....			
13.3	Mortgage loans .....			
13.4	Real estate .....			
13.5	Other invested assets .....			
13.6	Miscellaneous applications .....	13,244		
13.7	TOTAL investments acquired (Lines 13.1 to 13.6) .....	27,036,221		1,047,991
14.	Net increase (or decrease) in contract loans and premium notes .....			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(14,842,877)		(22,991)
Cash from Financing and Miscellaneous Sources				
16.	Cash provided (applied):			
16.1	Surplus notes, capital notes .....			
16.2	Capital and paid in surplus, less treasury stock .....			
16.3	Borrowed funds .....			
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5	Dividends to stockholders .....			7,104,000
16.6	Other cash provided (applied) .....	(8,177,448)	3,914,009	5,130,154
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	(8,177,448)	3,914,009	(1,973,846)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(2,913,707)	10,163,539	14,778,648
19.	Cash, cash equivalents and short-term investments:			
19.1	Beginning of year .....	75,232,175	60,453,527	60,453,527
19.2	End of period (Line 18 plus Line 19.1) .....	72,318,468	70,617,066	75,232,175

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year .....	79,419	2,310						843	76,266	
2. First Quarter .....	80,728	2,050						944	77,734	
3. Second Quarter .....	92,556	1,829						1,050	89,677	
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	505,701	12,102						5,779	487,820	
Total Member Ambulatory Encounters for Period:										
7. Physician .....	238,776	3,405						7,062	228,309	
8. Non-Physician .....	176,591	1,527						5,000	170,064	
9. Total .....	415,367	4,932						12,062	398,373	
10. Hospital Patient Days Incurred .....	15,236	31						922	14,283	
11. Number of Inpatient Admissions .....	3,646	7						163	3,476	
12. Health Premiums Written (a) .....	170,025,321	1,648,155						5,707,625	162,669,541	
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	170,025,321	1,648,155						5,707,625	162,669,541	
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	130,936,890	867,216						4,873,075	125,196,599	
18. Amount Incurred for Provision of Health Care Services .....	137,614,519	855,482						5,204,934	131,554,102	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....5,707,625.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
HRA/GME/SNAF .....	11,553,021					11,553,021
Pharmacy Benefit Manager .....	1,764,138					1,764,138
PCP-IPP Enhanced Payment .....	2,112,025					2,112,025
0199999 Individually Listed Claims Unpaid .....	15,429,184					15,429,184
0499999 Subtotals .....	15,429,184					15,429,184
0599999 Unreported claims and other claim reserves .....						27,487,049
0799999 Total Claims Unpaid .....						42,916,233
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						1,181,258



**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE**

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical) .....	136,217	723,359	55,036	223,244	191,253	292,375
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....	1,229,793	3,627,180	387,732	1,586,514	1,617,525	1,626,285
7.	Title XIX - Medicaid .....	26,804,790	97,558,837	2,071,081	38,592,625	28,875,871	35,123,752
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	28,170,799	101,909,376	2,513,850	40,402,383	30,684,649	37,042,412
10.	Healthcare receivables (a) .....		117,405				
11.	Other non-health .....						
12.	Medical incentive pools and bonus amounts .....	58,131	915,989	588,048	593,210	646,178	860,377
13.	Totals (Lines 9 - 10 + 11 + 12) .....	28,228,930	102,707,960	3,101,897	40,995,594	31,330,827	37,902,789

(a) Excludes \$.00 loans or advances to providers not yet expensed.

**Notes to Financial Statement**

**1. Summary of Significant Accounting Policies**

A. Accounting Practices

The accompanying financial statements of Midwest Health Plan, Inc. (Plan) have been prepared in accordance with the *NAIC Accounting Practices and Procedures Manual (NAPPM)* and the NAIC Annual Statement Instructions (NASI) to the extent that these accounting practices, procedures and reporting standards are not modified by accounting practices prescribed or permitted by the State of Michigan Department of Insurance and Financial Services (DIFS).

DIFS recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining the financial condition and results of operation of an insurance company. The *NAPPM* has been adopted as a component of prescribed or permitted practices by DIFS.

A reconciliation of the Plan's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Michigan is shown below:

NET INCOME	State of Domicile	2014	2013
(1) MHP State Basis (Page 4, Line 32, Columns 2 & 3)	Michigan	\$7,826,116	\$9,439,932
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(3) State Permitted Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(4) NAIC SAP (1-2-3=4)	Michigan	<u>\$7,826,116</u>	<u>\$9,439,932</u>
SURPLUS			
(5) MHP State Basis (Page 3, Line 33, Columns 3&4)	Michigan	\$38,276,471	\$31,400,581
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(7) State Permitted Practices that increase/(decrease) NAIC SAP: NONE	Michigan		
(8) NAIC SAP (5-6-7=8)	Michigan	<u>\$38,276,471</u>	<u>\$31,400,581</u>

Financial statements prepared on the statutory basis vary in some respects from those prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and in some cases, those differences may be material. The significant accounting principles, as outlined above, were followed in the preparation of the statutory basis financial statements. Had the financial statements been prepared in accordance with the accounting principles generally accepted in the United States of America, the following differences would have been noted:

- Certain assets are "non-admitted" and are charged against surplus, such as prepaid expenses, electronic data processing equipment and software, furniture and deferred tax assets.
- Purchase Price Accounting (Goodwill and Other Intangibles) Assets, amortization and associated Deferred Taxes are recorded on the acquired company's GAAP financial statements. Our parent corporation, HAP, has accounted for its investment in the Plan in accordance with Statement of Statutory Accounting Principles (SSAP) No 68, *Business Combinations and Goodwill*.
- Deferred income taxes are admitted in accordance with Statement of Statutory Accounting Principle (SSAP) No. 101, Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10 effective January 1, 2012. Changes in deferred income taxes are credited or charged directly to unassigned surplus as opposed to income tax expense.
- The classification of items included in the Statements of Cash Flows - statutory basis differs from GAAP.
- The disclosures required by the statutory basis differ from GAAP.

B. Use of Estimates - No significant change

C. Accounting Policy

The Plan operates under a capitated Medicaid contract and a MiChild contract with the Michigan Department of Community Health (MDCH). In addition, the Plan has a contract with the Centers for Medicare and Medicaid Services (CMS) for Medicare beneficiaries. For 2014 and 2013, these contracts provided the majority of the Plan's operating revenues. Revenue is recognized during the month in which coverage for enrolled members is in effect. Amounts receivable or payable as a result of the contract reconciliation process are recorded in the year known or a reasonable estimate is determinable

1. Short-term investments – No significant change
2. Bonds – No significant change
3. Common Stocks – Not applicable
4. Preferred Stocks – Not applicable
5. Mortgage Loans – Not applicable

# Notes to Financial Statement

- 6.        Loan-backed securities- Loan-backed securities are stated at amortized cost or the lower of amortized cost or fair value based on the NAIC designation of the underlying security. The retrospective method is used to value all securities. Amortized cost is determined utilizing the scientific interest method.
- 7.        Investments in Subsidiaries, controlled and affiliated companies – Not applicable
- 8.        Investments in Joint Ventures, partnerships and limited liability companies – Not applicable
- 9.        Derivatives – Not applicable
- 10.       The Company was not required to record a premium deficiency reserve at December 31, 2013.
- 11.       The Plan’s method of estimating liabilities for unpaid medical claims – No significant change
- 12.       Capitalization policy – No modification of capitalization policy
- 13.       Pharmaceutical/Rebates Receivable – No significant change

**2. Accounting Change and Correction of Errors**

Not applicable

**3. Business Combination and Goodwill**

- A.        Statutory Purchase Method- Not applicable
- B.        Statutory Merger- Not applicable
- C.        Assumption Reinsurance- Not applicable
- D.        Impairment Loss- Not applicable

**4. Discontinued Operations**

Not applicable

**5. Investments**

- A. Mortgage Loans – Not applicable
- B. Debt Restructuring – Not applicable
- C. Reverse Mortgages – Not applicable
- D. Loan-Backed Securities–
  - (1) Prepayment assumptions for loan-backed and asset backed securities are obtained from broker dealer survey values.
  - (2) – (3) Securities with a recognized other-than-temporary-impairment (OTTI): The Plan has not recognized any OTTI.
  - (4) Securities for which an OTTI has not been recognized in earnings as a realized loss:
    - a.    The aggregate amount of unrealized losses:
      - 1.    Less than 12 months \$244
      - 2.    12 months or longer \$0
    - b.    The aggregate related fair value of securities with unrealized losses:
      - 1.    Less than 12 months \$644,338
      - 2.    12 months or longer \$0
  - (5) In considering whether an investment is other-than-temporarily-impaired, management considers its ability and intent to hold the investment, the severity of the decline in fair value and the duration of the impairment, among other factors. Management has determined that it has the ability and intent to hold indefinitely its investment in loan-backed securities and that the severity and duration of any impairment are insufficient to indicate an OTTI.
- E. Repurchase Agreements – Not applicable
- F. Real Estate – Not applicable
- G. Investment in Low-Income Housing Tax Credits – Not applicable
- H. Restricted Assets- No significant change

**6. Joint Ventures, Partnerships and Limited Liability Companies**

- A.    The Plan has no investments in Joint Ventures, Partnerships, or limited Liability Companies that exceed 10% of its admitted assets
- B.    The Plan did not recognize any impairment write down for investments in Joint Ventures, Partnerships and, Limited Liability Companies during the Statement Periods.

**7. Investment Income**

Not applicable

# Notes to Financial Statement

**8. Derivative Instruments**

Not applicable

**9. Income Taxes**

No Change in the Admitted and Non-Admitted Deferred Tax Asset  
\$6,768,256 is the estimated Federal Income Tax for the three months ended June 30, 2014.

**10. Information Concerning Parent, Subsidiaries and Affiliates**

No significant change

**11. Debt**

Not applicable

**12. Employee Benefit Plan**

- A. Defined Benefit Plan - Not applicable
- B. Investment Policies and Strategies – Not applicable
- C. Fair Value of Each Class of Plan Assets – Not applicable
- D. Basis to determine the overall expected long-term rate of return on assets assumptions – Not applicable
- E. Defined Contribution Plan – No significant change
- F. Multiemployer Plans – Not applicable
- G. Consolidated/Holding Company Plans– Not applicable
- H. Post-employment Benefits and Compensated Absences – Not applicable
- I. Impact of Medicare Modernization Act on Postretirement Benefits – Not applicable

**13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

- 1. Capital stock – No significant change
- 2. Preferred stock – Not applicable
- 3. Dividend Restrictions - No significant change
- 4. Dates and amounts of dividends paid - No significant change
- 5. Dividend Restrictions Based on Profits - No significant change
- 6. Restrictions on Unassigned Funds (Surplus) – Not applicable
- 7. Advances to Surplus not Repaid – Not applicable.
- 8. Stock held for Special Purposes – Not applicable.
- 9. Changes in special Surplus funds – MHP has recorded one quarter of the 2015 estimated Health Insurance Provider Fee to the surplus in the Special Surplus Funds.
- 10. There are no cumulative unrealized gains and losses that reduce Unassigned funds (Surplus)
- 11. Surplus Notes – Not applicable
- 12. Impact of a Restatement Due to a Quasi-reorganization – Not applicable
- 13. The Effective Date(s) of a Quasi-Reorganization for the Prior Ten Years – Not applicable

**14. Commitments and Contingencies**

- A. Contingent Commitments - Not applicable
- B. Guaranty fund and other assessments - Not applicable
- C. Gain Contingencies - Not applicable
- D. Claims Related Extra Contractual Obligation and Bad, Faith Losses Stemming from Lawsuits - Not applicable
- E. All Other Contingencies - Not applicable

**Notes to Financial Statement**

**15. Leases**

- A. Lessee Operating Lease
- 1

A general description of the lessee's leasing arrangements – No significant change
- 2

Leases having initial or remaining noncancelable lease terms in excess of one year – No significant change
- 3

For sale-leaseback transactions – Not applicable
- B. Lessor Leases – Not applicable
- C. Leveraged Leases – Not applicable

**16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.**

Not applicable

**17. Sales, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities**

Not applicable

**18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.**

- A. ASO Plans – Not applicable
- B. ASC Plans – Not applicable
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract –

1.

Major components of revenue by payor – Not applicable

2.

Receivables from payors with account balances the greater of 10% of amounts receivable relating to uninsured accident and health plans of \$10,000 – Not applicable

3.

Recorded allowances and reserves for adjustment of recorded revenues – No significant change

4.

Adjustments to revenue resulting from audit of receivables related to revenues recorded in the prior period – Not applicable

**19. Direct Premium Written/Produced by Managing General Third Agents/Third Party Administrators**

No significant change

**20. Fair Value Measurements**

A.

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at Fair Value				
Perpetual Preferred stock				
Industrial and Misc.	\$ 0	\$0	\$0	\$ 0
Parent, Subsidiaries and Affiliates	0	0	0	0
Total Perpetual Preferred Stocks	\$ 0	\$0	\$0	\$ 0
Bonds				
U.S. Governments	\$ 0	3,830,537	\$0	\$3,830,537
U.S. State	\$ 0	332,944	\$0	332,944
Industrial and Misc	43,538,439	11,912,150	0	55,450,589
Hybrid Securities	0	0	0	0
Parent, Subsidiaries and Affiliates	0	0	0	0
Total Bonds	\$43,538,439	\$16,075,631	\$0	\$ 59,614,070
Common Stock				
Industrial and Misc	\$ 0	\$0	\$0	\$ 0
Parent, Subsidiaries and Affiliares	0	0	0	0
Total Common Stocks	\$ 0	\$0	\$0	\$ 0
Derivative assets				
Interest rate contracts	\$ 0	\$0	\$0	\$ 0
Foreign exchange contracts	0	0	0	0
Credit contracts	0	0	0	0
Commodity futures contracts	0	0	0	0
Commodity forward contracts	0	0	0	0

Notes to Financial Statement

Total Derivatives	\$ 0	\$0	\$0	\$ 0
Separate account assets	\$ 0	\$0	\$0	\$ 0
Total assets at fair value	\$43,538,439	\$16,075,631	\$0	\$ 59,614,070
b. Liabilities at fair value				
Derivative liabilities	\$ 0	\$0	\$0	\$ 0
Total Liabilities at Fair Value	\$0	\$0	\$0	\$0

Footnote:

(a) No transfers from Level 1 to Level 2.

(2) The Plan has no fair value measurements categorized within Level 3 of the fair value hierarchy.

(3) The Plan had no transfers between levels.

(4) The fair value measurements categorized within Level 2 of the fair value hierarchy reported by the Corporation are obtained primarily from independent pricing services and broker dealer quotes. Mortgage backed securities are submitted to the NAIC’s Securities Valuation Office for valuation.

(5) Derivative assets and liabilities: Not applicable

B. Fair value information and information about other similar measurements disclosed under other accounting pronouncements combined with disclosures under SSAP No. 100, Fair Value Measurements – Not applicable

C. Aggregate fair values of all financial instruments and applicable levels within the fair value hierarchy

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets/ Liabilities	(Level 1)	(Level 2)	(Level 3)	Not Practicable Carrying Value
Bonds	59,614,070	59,586,432	43,538,439	16,075,631		
Common Stock						
Derivative Assets						
Derivative Liabilities						

D. Financial instruments or classes of financial instruments for which fair value measurements are not determinable – Not applicable

21. Other Items

- A. Extraordinary Items – Not applicable
- B. Troubled Debt Restructuring – Not applicable
- C. Other Disclosures – Statutory Reserve – No significant change
- D. Business Interruption Insurance Recoveries – Not applicable
- E. State Transferable Tax Credits – Not applicable
- F. Subprime Mortgage Related Risk Exposure – Not applicable
- G. Retained Assets- Not Applicable
- H. Offsetting and Netting of Assets and Liabilities- Not applicable

22. Events Subsequent

- A. ACA fee assessment payable – \$3,790,524
- B. Assessment expected to impact RBC – (4.98)%

23. Reinsurance

No significant change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination.

# Notes to Financial Statement

Not applicable

**25. Change in Incurred Claims and Claims Adjustment Expenses**

Reserves as of June 30, 2014 were \$42,916,233. As of June 30, 2014, \$28,170,799 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,513,850 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$7,830,000 favorable prior-year development since December 31, 2013 to June 30, 2014. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual.

**26. Intercompany Pooling Arrangements**

Not applicable

**27. Structured Settlements**

Not applicable

**28. Health Care Receivables - Admitted**

- A. Pharmaceutical/Rebates Receivable – No significant change
- B. Risk Sharing Receivable - No significant change

**29. Participating Policies**

Not applicable

**30. Premium Deficiency Reserves**

Not applicable

**31. Anticipated Salvage and Subrogation**

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes[X] No[ ]
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[X] No[ ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:

Three entities have been added to the organizational chart, Henry Ford Pathology, Center for Complementary and Integrative Medicine, and Henry Ford Physicians Accountable Care.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

If yes, attach an explanation.

Yes[ ] No[ ] N/A[X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2010
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2010
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/26/2012
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[ ] No[ ] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[X] No[ ] N/A[ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[ ] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
		Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

Yes[X] No[ ]
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[ ] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$ 0
13. Amount of real estate and mortgages held in short-term investments:

\$ 0



GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

14.2 If yes, please complete the following:

Yes[ ] No[X]

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....		
14.22 Preferred Stock .....		
14.23 Common Stock .....		
14.24 Short-Term Investments .....		
14.25 Mortgages Loans on Real Estate .....		
14.26 All Other .....		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:  
16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2  
16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2  
16.3 Total payable for securities lending reported on the liability page

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's  
offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a  
custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F.  
Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[ ] No[X]  
Yes[ ] No[ ] N/A[X]  
\$ ..... 0  
\$ ..... 0  
\$ ..... 0  
Yes[X] No[ ]

1 Name of Custodian(s)	2 Custodian Address
Comerica Bank .....	Detroit, Michigan .....
The Northern Trust Company .....	Chicago, Illinois .....

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name,  
location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....	.....	.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes[ ] No[X]

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....	.....	.....	.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts,  
handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
Not applicable .....	Brian Gamble .....	Detroit Michigan .....
104863 .....	Income Research & Management .....	Boston Massachesetts .....
.....	.....	.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

18.2 If no, list exceptions:

Yes[X] No[ ]

**GENERAL INTERROGATORIES**

**PART 2 - HEALTH**

1. Operating Percentages:	
1.1 A&H loss percent	80.978%
1.2 A&H cost containment percent	0.575%
1.3 A&H expense percent excluding cost containment expenses	13.740%
2.1 Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
<b>Accident and Health - Non-affiliates</b>								
93572 .....	43-1235868 .....	..... 01/01/2014 .....	RGA REINS CO .....	MO .....	..... SSL/L/I .....	Authorized .....	.....	.....

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**  
**Current Year to Date - Allocated by States and Territories**

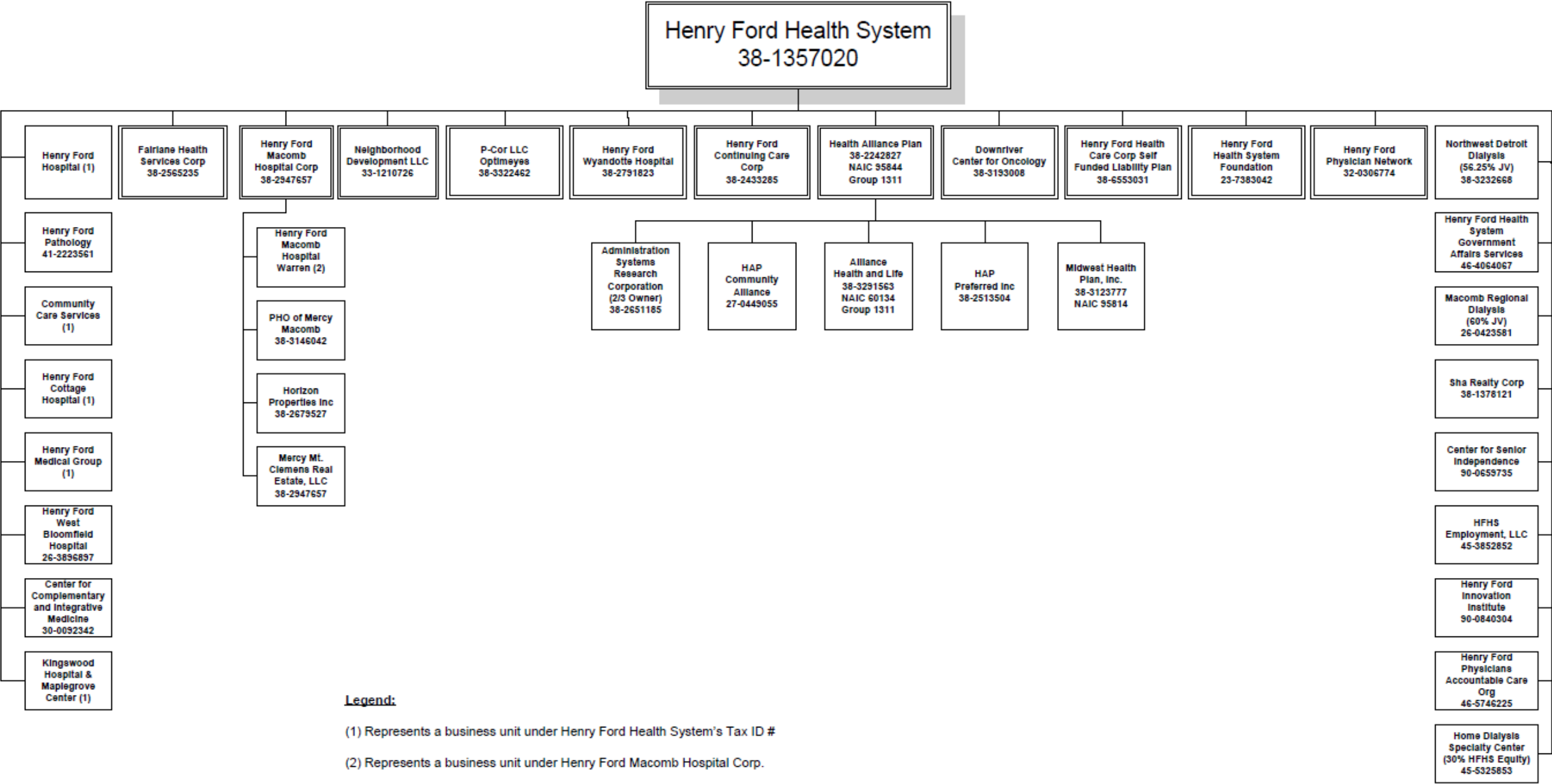
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL) .....	N								
2.	Alaska (AK) .....	N								
3.	Arizona (AZ) .....	N								
4.	Arkansas (AR) .....	N								
5.	California (CA) .....	N								
6.	Colorado (CO) .....	N								
7.	Connecticut (CT) .....	N								
8.	Delaware (DE) .....	N								
9.	District of Columbia (DC) .....	N								
10.	Florida (FL) .....	N								
11.	Georgia (GA) .....	N								
12.	Hawaii (HI) .....	N								
13.	Idaho (ID) .....	N								
14.	Illinois (IL) .....	N								
15.	Indiana (IN) .....	N								
16.	Iowa (IA) .....	N								
17.	Kansas (KS) .....	N								
18.	Kentucky (KY) .....	N								
19.	Louisiana (LA) .....	N								
20.	Maine (ME) .....	N								
21.	Maryland (MD) .....	N								
22.	Massachusetts (MA) .....	N								
23.	Michigan (MI) .....	L	1,648,155	5,707,625	162,669,541				170,025,321	
24.	Minnesota (MN) .....	N								
25.	Mississippi (MS) .....	N								
26.	Missouri (MO) .....	N								
27.	Montana (MT) .....	N								
28.	Nebraska (NE) .....	N								
29.	Nevada (NV) .....	N								
30.	New Hampshire (NH) .....	N								
31.	New Jersey (NJ) .....	N								
32.	New Mexico (NM) .....	N								
33.	New York (NY) .....	N								
34.	North Carolina (NC) .....	N								
35.	North Dakota (ND) .....	N								
36.	Ohio (OH) .....	N								
37.	Oklahoma (OK) .....	N								
38.	Oregon (OR) .....	N								
39.	Pennsylvania (PA) .....	N								
40.	Rhode Island (RI) .....	N								
41.	South Carolina (SC) .....	N								
42.	South Dakota (SD) .....	N								
43.	Tennessee (TN) .....	N								
44.	Texas (TX) .....	N								
45.	Utah (UT) .....	N								
46.	Vermont (VT) .....	N								
47.	Virginia (VA) .....	N								
48.	Washington (WA) .....	N								
49.	West Virginia (WV) .....	N								
50.	Wisconsin (WI) .....	N								
51.	Wyoming (WY) .....	N								
52.	American Samoa (AS) .....	N								
53.	Guam (GU) .....	N								
54.	Puerto Rico (PR) .....	N								
55.	U.S. Virgin Islands (VI) .....	N								
56.	Northern Mariana Islands (MP) .....	N								
57.	Canada (CAN) .....	N								
58.	Aggregate other alien (OT) .....	X X X								
59.	Subtotal .....	X X X	1,648,155	5,707,625	162,669,541				170,025,321	
60.	Reporting entity contributions for Employee Benefit Plans .....	X X X								
61.	Total (Direct Business) .....	(a)..... 1	1,648,155	5,707,625	162,669,541				170,025,321	
DETAILS OF WRITE-INS										
5801.	.....	X X X								
5802.	.....	X X X								
5803.	.....	X X X								
5898.	Summary of remaining write-ins for Line 58 from overflow page .....	X X X								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) .....	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER  
MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 - ORGANIZATIONAL CHART

Q15



**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

Q16

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
1311	Henry Ford Health System Group	95814	38-3123777				Midwest Health Plan, Inc	MI	RE	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
1311	Henry Ford Health System Group	95844	382242827				Health Alliance Plan of Michigan	MI	UDP	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	382513504				HAP Preferred Inc		NIA	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
1311	Henry Ford Health System Group	60134	38-3291563				Alliance Health and Life Insurance Company	MI	IA	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2651185				Administration System Research Group		NIA	Health Alliance Plan of Michigan		66.7	Henry Ford Health System	
	Henry Ford Health System Group	00000	270449055				HAP Community Alliance		NIA	Health Alliance Plan of Michigan		100.0	Henry Ford Health System	
	Henry Ford Health System Group	0	45-3852852				Henry Ford Health System employment, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-1357020				Henry Ford Health System		UIP					
	Henry Ford Health System Group	00000	38-2791823				Henry Ford Wyandotte		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2594841				First Optometry Vision Plans, Inc		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2947657				Henry Ford Macomb Hospital		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-3146042				PHO of Mercy Macomb		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2679527				Horizon Properties Inc		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2947657				Mercy Mt. Clemens Real Estate, LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2565235				Fairlane Health Services Corp		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	33-1210726				Neighborhood Development LLC		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-2433285				Henry Ford Continuing Care Corp		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-6553031				Henry Ford Health Care Corp		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	23-7383042				Self Funded Liability Plan		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	32-0306774				Henry Ford Health System Foundation		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	32-0306774				Henry Ford Physician Network		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-3232668				Northwest Detroit Dialysis		NIA	Henry Ford Health System		56.3	Henry Ford Health System	
	Henry Ford Health System Group	00000	45-5325853				Home Dialysis specialty Center		NIA	Henry Ford Health System		30.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	26-0423581				Macomb Regional Dialysis		NIA	Henry Ford Health System		60.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	38-1378121				Sha Realty Corp		NIA	Henry Ford Health System		100.0	Henry Ford Health System	
	Henry Ford Health System Group	00000	90-0659735				Center for Senior Independence		NIA	Henry Ford Health System		100.0	Henry Ford Health System	



# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

RESPONSE
No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement





**OVERFLOW PAGE FOR WRITE-INS**

STATEMENT AS OF **June 30, 2014** OF THE **HAP Midwest Health Plan, Inc.**

SCHEDULE A - VERIFICATION

Real Estate		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired .....		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....	NONE	
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8 ) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired: .....		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....	NONE	
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage interest points .....		
9. Total foreign exchange change in book value/recorded investment .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired: .....		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....	NONE	
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....		
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	1,045,458	1,026,834
2. Cost of bonds and stocks acquired .....	27,022,977	1,047,991
3. Accrual of discount .....	6,703	
4. Unrealized valuation increase (decrease) .....	(2,762)	
5. Total gain (loss) on disposals .....	(10,197)	
6. Deduct consideration for bonds and stocks disposed of .....	12,180,385	1,025,000
7. Deduct amortization of premium .....	47,049	4,366
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	15,834,745	1,045,458
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	15,834,745	1,045,458

QSI02

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	57,855,006	2,758,350	3,464,497	(20,309)	57,855,006	57,128,550		59,580,723
2. NAIC 2 (a) .....	2,614,266	240,885	3,592	(15,315)	2,614,266	2,836,244		
3. NAIC 3 (a) .....	223,593			(2,859)	223,593	220,734		
4. NAIC 4 (a) .....								
5. NAIC 5 (a) .....								
6. NAIC 6 (a) .....								
7. Total Bonds .....	60,692,865	2,999,235	3,468,089	(38,483)	60,692,865	60,185,528		59,580,723
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....								
9. NAIC 2 .....								
10. NAIC 3 .....								
11. NAIC 4 .....								
12. NAIC 5 .....								
13. NAIC 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	60,692,865	2,999,235	3,468,089	(38,483)	60,692,865	60,185,528		59,580,723

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

**SCHEDULE DA - PART 1**

**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals .....	43,751,687	X X X	43,753,482	3,184	1,276

**SCHEDULE DA - Verification**

**Short-Term Investments**

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	58,535,265	45,010,827
2.	Cost of short-term investments acquired .....	2,812,901	18,524,437
3.	Accrual of discount .....	48	
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....	(26)	
6.	Deduct consideration received on disposals .....	17,594,706	5,000,000
7.	Deduct amortization of premium .....	1,795	
8.	Total foreign exchange change in book/adjusted carrying value .....		
9.	Deduct current year's other than temporary impairment recognized ....		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	43,751,687	58,535,265
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	43,751,687	58,535,265

**SI04   Schedule DB - Part A Verification   ..... NONE**

**SI04   Schedule DB - Part B Verification   ..... NONE**

**SI05   Schedule DB Part C Section 1   ..... NONE**

**SI06   Schedule DB Part C Section 2   ..... NONE**

**SI07   Schedule DB - Verification   ..... NONE**

**SI08   Schedule E - Verification (Cash Equivalents)   ..... NONE**

**E01   Schedule A Part 2   ..... NONE**

**E01   Schedule A Part 3   ..... NONE**

**E02   Schedule B Part 2   ..... NONE**

**E02   Schedule B Part 3   ..... NONE**

**E03   Schedule BA Part 2   ..... NONE**

**E03   Schedule BA Part 3   ..... NONE**

**SCHEDULE D - PART 3**

**Show All Long-Term Bonds and Stock Acquired During the Current Quarter**

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
912828RF9 .....	UNITED STATES TREAS .....		05/23/2014 .....	VARIOUS .....	X X X .....	1,234,366 .....	1,220,000 .....	2,924 .....	1 .....
912828VQ0 .....	UNITED STATES TREAS .....		06/27/2014 .....	VARIOUS .....	X X X .....	132,942 .....	133,000 .....	569 .....	1 .....
0599999 Subtotal - Bonds - U.S. Governments .....					X X X .....	1,367,308 .....	1,353,000 .....	3,493 .....	X X X .....
<b>Bonds - U.S. States, Territories and Possessions</b>									
04057PJL3 .....	ARIZONA SCH FACS BRD CTFS PARTN .....		06/04/2014 .....	MERRILL LYNCH .....	X X X .....	126,000 .....	126,000 .....		1FE .....
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions .....					X X X .....	126,000 .....	126,000 .....		X X X .....
<b>Bonds - U.S. Special Revenue, Special Assessment</b>									
3128S5XQ2 .....	FEDERAL HOME LN MTG CORP .....		04/07/2014 .....	BARCLAYS BANK .....	X X X .....	156,485 .....	147,021 .....	214 .....	1 .....
3136AJB21 .....	FNMA .....		04/14/2014 .....	GOLDMAN SACHS .....	X X X .....	227,250 .....	225,000 .....	231 .....	1 .....
3137B03W2 .....	FEDERAL HOME LN MTG CORP .....		04/22/2014 .....	VARIOUS .....	X X X .....	105,755 .....	105,000 .....	100 .....	1 .....
3138EMU90 .....	FEDERAL NATL MTG ASSN GTD MTG .....		04/14/2014 .....	SUNTRUSTCA .....	X X X .....	143,369 .....	134,817 .....	193 .....	1 .....
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment .....					X X X .....	632,859 .....	611,838 .....	738 .....	X X X .....
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
07388YAE2 .....	BEAR STEARNS COML MTG SECS TR 2007-PWR16 .....		04/09/2014 .....	JPMORGRB .....	X X X .....	151,189 .....	135,000 .....	279 .....	1FE .....
20173MAE0 .....	COMMERCIAL MTG TR 2006-GG7 .....		04/15/2014 .....	SALOMAN BROTHERS .....	X X X .....	95,324 .....	87,888 .....	294 .....	1FE .....
38141EA25 .....	GOLDMAN SACHS GROUP INC .....		04/22/2014 .....	GOLDMAN SACHS .....	X X X .....	177,135 .....	146,000 .....	2,129 .....	1FE .....
396789LL1 .....	GREENWICH CAP COML FDG CORP .....		04/11/2014 .....	MORGAN STANLEY .....	X X X .....	149,804 .....	143,000 .....	311 .....	1FM .....
421915EJ4 .....	HEALTH CARE PPTY INVS INC .....		04/23/2014 .....	WACHOVIA .....	X X X .....	50,622 .....	45,000 .....	660 .....	2FE .....
46623EJY6 .....	J P MORGAN CHASE & CO JPMORGAN CHASE SUB .....		04/17/2014 .....	BARCLAYS BANK .....	X X X .....	42,063 .....	42,000 .....	102 .....	1FE .....
581557BB0 .....	MCKESSON CORP NEW .....		04/25/2014 .....	DIRECT .....	X X X .....	135,290 .....	135,000 .....	242 .....	2FE .....
92343VCE2 .....	VERIZON COMMUNICATIONS INC .....		06/04/2014 .....	JPM CHASE .....	X X X .....	54,973 .....	55,000 .....		2FE .....
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) .....					X X X .....	856,400 .....	788,888 .....	4,017 .....	X X X .....
8399997 Subtotal - Bonds - Part 3 .....					X X X .....	2,982,567 .....	2,879,726 .....	8,248 .....	X X X .....
8399999 Subtotal - Bonds .....					X X X .....	2,982,567 .....	2,879,726 .....	8,248 .....	X X X .....
9899999 Subtotal - Preferred and Common Stocks .....					X X X .....		X X X .....		X X X .....
9999999 Total - Bonds, Preferred and Common Stocks .....					X X X .....	2,982,567 .....	X X X .....	8,248 .....	X X X .....

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.

**SCHEDULE D - PART 4**  
**Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of**  
**During the Current Quarter**

1	2	3 F o r e i g n	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description		Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
912828UE8	UNITED STATES TREAS NTS		06/03/2014	VARIOUS	X X X	191,962	195,000	192,594			131		131		192,724		(762)	(762)	562	12/30/2017	1
912828VG2	UNITED STATES TREAS NTS		04/25/2014	VARIOUS	X X X	605,437	605,000	604,981			(5)		(5)		604,976		461	461	1,024	06/15/2016	1
912828VQ0	UNITED STATES TREAS		04/23/2014	JPMORGRB	X X X	31,835	32,000	32,085			(3)		(3)		32,082		(247)	(247)	101	07/31/2018	1
912828VU1	UNITED STATES TREAS NTS		06/04/2014	VARIOUS	X X X	338,944	338,000	338,886			(90)		(90)		338,796		148	148	199	08/28/2015	1
0599999 Subtotal - Bonds - U.S. Governments					X X X	1,168,178	1,170,000	1,168,546			33		33		1,168,578		(400)	(400)	1,886	X X X	X X X
Bonds - U.S. Special Revenue, Special Assessment																					
3128S5XQ2	FEDERAL HOME LN MTG CORP		06/01/2014	PAYDOWN	X X X	5,648	5,648	6,012			(364)		(364)		5,648				7	06/01/2037	1
3138EMU90	FEDERAL NATL MTG ASSN GTD MTG		06/01/2014	PAYDOWN	X X X	2,254	2,254	2,397			(143)		(143)		2,254				6	12/01/2040	1
31398STH6	FNMA		06/01/2014	PAYDOWN	X X X	15,787	15,787	16,878			(1,090)		(1,090)		15,787				118	05/25/2038	1
83162CNR0	SMALL BUSINESS ADMIN GTD DEV PARTN CTF		04/01/2014	PAYDOWN	X X X	11,123	11,123	11,832			(709)		(709)		11,123				271	04/01/2024	1
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	34,812	34,812	37,119			(2,306)		(2,306)		34,812				402	X X X	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
03523TBA5	ANHEUSER BUSCH INBEV		05/21/2014	SALOMON	X X X	119,654	115,000	120,103			(564)		(564)		119,539		115	115	937	02/15/2016	1FE
14912L4E8	CATERPILLAR FINL SV		05/22/2014	USBANCII	X X X	123,330	100,000	123,413			(969)		(969)		122,444		886	886	2,026	02/15/2019	1FE
20173MAE0	COMMERCIAL MTG TR 2006-GG7		06/01/2014	PAYDOWN	X X X	487	487	528			(41)		(41)		487				4	07/10/2038	1FE
23306DAA2	DBRR 2013-EZ3 TR		06/15/2014	PAYDOWN	X X X	8,111	8,111	8,156			(46)		(46)		8,111				32	12/18/2049	1FE
247358AA2	DELTA 2012-1A PASS THRU TR		05/07/2014	DIR	X X X	3,314	3,314	3,595			(4)		(4)		3,592		(278)	(278)	79	11/07/2021	2FE
36830LAB9	GE EQUIP SMALL TICKET LLC SER 2013-1		06/24/2014	PAYDOWN	X X X	31,234	31,234	31,288			(54)		(54)		31,234				73	01/25/2016	1FE
62718QAA3	MURRAY STR INVT TR 62718QAA3		04/22/2014	GOLDMAN	X X X	179,536	166,000	180,007			(544)		(544)		179,463		73	73	3,086	03/09/2017	1FE
64952WBR3	NEW YORK LIFE GLOBAL FDG MEDIUM TERM NTS		05/21/2014	WARBURGD	X X X	172,597	172,000	172,490			(34)		(34)		172,456		141	141	661	03/01/2017	1FE
83162CRU9	SMALL BUSINESS ADMIN GTD DEV PARTN CTF		05/01/2014	PAYDOWN	X X X	13,469	13,469	14,841			(1,372)		(1,372)		13,469				389	05/01/2028	1
89233P5S1	TOYOTA MTR CR CORP MEDIUM TERM NTS BOOK		05/21/2014	WACHOVIA	X X X	102,924	100,000	103,301			(246)		(246)		103,055		(131)	(131)	769	01/12/2017	1FE
9297667G2	WACHOVIA BK COML MTG TR		06/01/2014	PAYDOWN	X X X	2,065	2,065	2,174			(109)		(109)		2,065				18	10/15/2044	1FM
92978MAE6	WACHOVIA BK COML MTG TR COML MTG PASS-TH		06/01/2014	PAYDOWN	X X X	686	686	750			(64)		(64)		686				6	10/15/2048	1FE
931142CJ0	WAL MART STORES INC		05/21/2014	BARCLAYB	X X X	144,961	125,000	145,659			(1,096)		(1,096)		144,563		399	399	2,054	02/15/2018	1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	902,368	837,366	906,305			(5,143)		(5,143)		901,164		1,205	1,205	10,134	X X X	X X X
8399997 Subtotal - Bonds - Part 4					X X X	2,105,358	2,042,178	2,111,970			(7,416)		(7,416)		2,104,554		805	805	12,422	X X X	X X X
8399999 Subtotal - Bonds					X X X	2,105,358	2,042,178	2,111,970			(7,416)		(7,416)		2,104,554		805	805	12,422	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X		X X X													X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	2,105,358	X X X	2,111,970			(7,416)		(7,416)		2,104,554		805	805	12,422	X X X	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....0.



**E06   Schedule DB Part A Section 1 ..... NONE**

**E07   Schedule DB Part B Section 1 ..... NONE**

**E08   Schedule DB Part D Section 1 ..... NONE**

**E09   Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity ..... NONE**

**E09   Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity ..... NONE**

**E10   Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE**

**E11   Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE**

**SCHEDULE E - PART 1 - CASH**

**Month End Depository Balances**

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	
Depository			Code	Rate of Interest			First Month	Second Month	Third Month	*
<b>open depositories</b>										
Bank of America, N.A. ....	Troy, MI .....						22,775,680	23,134,471	24,890,047	X X X
Bank of America, N.A. ....	Troy, MI .....						625,053	373,983	16,379	X X X
Comerica Bank .....	Detroit, MI .....			0.150	156		417,261	417,307	417,351	X X X
Comerica Bank .....	Detroit, MI .....			0.010	45	15	2,333,128	3,786,817	3,243,004	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories .			X X X	X X X						X X X
0199999 Totals - Open Depositories .....			X X X	X X X	202	15	26,151,122	27,712,578	28,566,782	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories .....			X X X	X X X						X X X
0299999 Totals - Suspended Depositories .....			X X X	X X X						X X X
0399999 Total Cash On Deposit .....			X X X	X X X	202	15	26,151,122	27,712,578	28,566,782	X X X
0499999 Cash in Company's Office .....			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash .....			X X X	X X X	202	15	26,151,122	27,712,578	28,566,782	X X X

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<div>NONE</div>							
8699999 Total - Cash Equivalents .....					.....	.....	.....

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